

# FISCAL NOTE

**Bill #:** SB0447

**Title:** Revise deposit and use of insurance fees

**Primary**

**Sponsor:** Eve Franklin

**Status:** As introduced

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Sponsor signature	Date	Dave Lewis, Budget Director	Date
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## Fiscal Summary

	<b><u>FY2000 Difference</u></b>	<b><u>FY2001 Difference</u></b>
<b>Expenditures:</b>		
General Fund	(1,925,950)	(1,904,738)
State Special Revenue	1,925,950	1,904,738
<b>Revenue:</b>		
General Fund	(2,368,282)	(2,574,727)
State Special Revenue	2,368,282	2,574,727
<b>Net Impact on General Fund Balance:</b>	<b>(442,332)</b>	<b>(669,989)</b>

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<b><u>Yes</u></b>	<b><u>No</u></b>		<b><u>Yes</u></b>	<b><u>No</u></b>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget	X		Significant Long-Term Impacts

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## Fiscal Analysis

### ASSUMPTIONS:

1. The majority of fees collected by the State Auditor's Office will be deposited in a state special revenue account.
2. Fines and penalties, tax on surplus lines (33-2-311, MCA), premium tax (33-2-705, MCA), and the tax of independently procured coverage (33-2-706, MCA) will be deposited in the general fund

**FISCAL IMPACT:**

<b>State Auditor's Office</b>	<b><u>FY2000 Difference</u></b>	<b><u>FY2001 Difference</u></b>
<u>Expenditures:</u>	0	0
<u>Funding:</u>		
General Fund (01)	(1,925,950)	(1,904,738)
State Special Revenue (02)	1,925,950	1,904,738
TOTAL	0	0
<u>Revenues:</u>		
General Fund (01)	(2,368,282)	(2,574,727)
State Special Revenue (02)	2,368,282	2,574,727
TOTAL	0	0
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
General Fund (01)	(442,332)	(669,989)
State Special Revenue (02)	0	0

**LONG-RANGE IMPACTS:**

Fees collected from the insurance industry would be equal to the appropriation of central management and insurance programs of the State Auditor's Office. The loss to the general fund would be the difference between the growth in insurance fees and the growth in appropriated budget of these programs. Based on the FY 2001 State Auditor's Office budget, the general fund loss would approximate \$670,000 in future years.